BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF HAWAII

In the Matter of the Application of)

HAWAIIAN ELECTRIC COMPANY, INC.

For Approval of a Residential Direct Load Control Program, and Recovery of Program Costs.

DOCKET NO. 03-0166

ORDER NO. 20906

Filed April 15, 2004
At 10:00 o'clock A.M.

hief Clerk of the Commission

OF THE STATE OF HAWAII

For Approval of a Residential Direct Load Control Program, and Recovery of Program Costs.

Docket No. 03-0166 Order No. 20906

ORDER

I.

Introduction

On June 6, 2003, HAWAIIAN ELECTRIC COMPANY, INC. ("HECO") filed an application requesting, among other things, that the commission approve its proposed Residential Direct Load Control Program and the recovery of its program costs for the first five years of the program, which are estimated to be approximately \$12,205,955 (and associated revenue taxes, if applicable), using HECO's Integrated Resource Plan ("IRP") Cost Recovery Provision and incorporated into rates as a result of the next rate case if Demand Side Management costs are not recovered through the IRP Cost Recovery Provision after the next rate case. HECO submits its application pursuant to paragraphs II.B.7, III.F., and V. of the commission's Framework for IRP (revised May 22, 1992), which was issued pursuant to Decision and Order No. 11523, filed on March 12, 1992, and Decision and Order No. 11630, filed on May 22, 1992, in Docket No. 6617.

HECO served copies of its application on the Division of Consumer Advocacy, Department of Commerce and Consumer Affairs ("Consumer Advocate") and the United States Department of the Navy. By Preliminary Statement of Position filed on June 20, 2003, the Consumer Advocate informed the commission that it conducted a preliminary review of the application and has questions regarding the reasonableness of HECO's requests. On July 14, 2003, the Consumer Advocate issued information requests upon HECO, to which HECO responded on October 1, 2003.

II.

Discussion

To assist in the efficient disposition of the instant proceeding, we find it necessary to establish procedures and a schedule. Thus, we conclude that HECO and the Consumer Advocate should meet informally to determine the procedures and schedule with respect to this proceeding, to be set forth in a stipulated prehearing order that shall be submitted for commission approval within 30 days from the date of this order. In the alternative, if the parties are unable to stipulate to such order, we conclude that each party shall submit a proposed prehearing order for the commission's consideration within 30 days from the date of this order.

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III.

Order

shall meet informally to determine the procedures and schedule with respect to this proceeding, to be set forth in a stipulated prehearing order. The stipulated prehearing order shall be submitted for commission approval within 30 days of this order. If the parties to this docket are unable to stipulate to such an order, each party shall submit a proposed prehearing order for the commission's consideration by the same date.

DONE at Honolulu, Hawaii this 15th day of April, 2004.

PUBLIC UTILITIES COMMISSION OF THE STATE OF HAWAII

Carlito P. Caliboso, Chairman

Wayne H. Kimura, Commissioner

- Min G Carrela

Janet E. Kawelo, Commissioner

APPROVED AS TO FORM:

Catherine P. Awakuni Commission Counsel

COMMITPPTOM

CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Order No. 20906 upon the following parties, by causing a copy hereof to be mailed, postage prepaid, and properly addressed to each such party.

DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS DIVISION OF CONSUMER ADVOCACY P. O. Box 541 Honolulu, HI 96809

WILLIAM A. BONNET VICE PRESIDENT, GOVERNMENT AND COMMUNITY AFFAIRS HAWAIIAN ELECTRIC COMPANY, INC. P. O. Box 2750 Honolulu, HI 96840-0001

THOMAS W. WILLIAMS, JR., ESQ. PETER Y. KIKUTA, ESQ. GOODSILL ANDERSON QUINN & STIFEL 1099 Alakea Street, Suite 1800 Honolulu, HI 96813

Karen Higashi

DATED: April 15, 2004